

# Guidance Document OIM-002

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING

Hospital Name \_\_\_\_\_  
Federal Employer ID No. \_\_\_\_\_

Contact \_\_\_\_\_  
Telephone \_\_\_\_\_

Fiscal Year Begin Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
Fiscal Year End Date \_\_\_\_/\_\_\_\_/\_\_\_\_

### 1.0 Income Statement

<b>1.1</b>	<b>Gross patient service revenue by type of payer:</b>	
	a. Medicare	_____
	b. Medicaid	_____
	c. Other government	_____
	d. Non-government	_____
	e. Total gross patient service revenue	_____
<b>1.2</b>	<b>Contractual allowances by type of payer:</b>	
	a. Medicare	_____
	b. Medicaid	_____
	c. CHAMPUS	_____
	d. Blue Cross	_____
	e. Other contractual allowances	_____
	f. Total contractual allowances	_____
<b>1.3</b>	<b>Charity care at 100% of poverty</b>	
<b>1.4</b>	<b>Charity care at 200% of poverty</b>	
<b>1.5</b>	<b>Net patient service revenue</b>	
<b>1.6</b>	<b>Other revenue and operating gains</b>	
<b>1.7</b>	<b>Labor expenses:</b>	
	a. Salaries	_____
	b. Benefits	_____
	c. Contract	_____
	d. Home office	_____
	e. Other labor expenses	_____
	f. Total labor expenses	_____
<b>1.8</b>	<b>Non-labor expenses:</b>	
	a. Contract	_____
	b. Home office	_____
	c. Drug	_____
	d. Physician fees	_____
	e. Other non-labor expenses	_____
	f. Total non-labor expenses	_____

<b>1.9</b>	<b>Capital expenses:</b>	
	a. Depreciation (straight-line)	_____
	b. Amortization	_____
	c. Interest	_____
	d. Insurance	_____
	e. Other capital expenses (excl. capital-related taxes)	_____
	f. Total capital expenses (excl. capital-related taxes)	_____
<b>1.10</b>	<b>Taxes:</b>	
	a. State income	_____
	b. Federal income	_____
	c. Real estate	_____
	d. Business property	_____
	e. Business license	_____
	f. Imputed state income	_____
	g. Imputed federal income	_____
	h. Other taxes (specify _____)	_____
	i. Total taxes	_____
<b>1.11</b>	<b>Bad-debt expense</b>	
<b>1.12</b>	<b>Total operating expense</b>	
<b>1.13</b>	<b>Operating income (loss)</b>	
<b>1.14</b>	<b>Net non-operating gains (losses)</b>	
<b>1.15</b>	<b>Net extraordinary gains (losses)</b>	
<b>1.16</b>	<b>Cumulative effect of accounting changes</b>	
<b>1.17</b>	<b>Rev. &amp; gains in excess of expenses &amp; losses</b>	
<i>Items for information only--also included in items above</i>		
<b>1.18</b>	<b>Capital-related taxes <i>not</i> related to patient care</b>	

**AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)**

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**2.0 Balance Sheet (general fund only)**

2.1	<b>Current assets:</b> <b>a. Cash and cash equivalents</b> <b>b. Marketable securities</b> <b>c. Accounts receivable (net)</b> <b>d. Receivables from related parties (current portion)</b> <b>e. Other current assets</b> <b>f. Total current assets</b>	      
2.2	<b>Net fixed assets</b>	
2.3	<b>Other assets:</b> <b>a. Non-current investments</b> <b>b. Intangible assets</b> <b>c. Receivables from related parties (non-current)</b> <b>d. Other</b> <b>e. Total other assets</b>	     
2.4	<b>Total assets</b>	
2.5	<b>Current liabilities:</b> <b>a. Notes payable</b> <b>b. Current portion of long-term debt</b> <b>c. Accounts payable</b> <b>d. Liabilities to related parties (current portion)</b> <b>e. Other current liabilities</b> <b>f. Total current liabilities</b>	      
2.6	<b>Long-term liabilities (less current installments):</b> <b>a. Notes payable</b> <b>b. Bonds payable</b> <b>c. Mortgages payable</b> <b>d. Capital lease obligations</b> <b>e. Liabilities to related parties (non-current)</b> <b>f. Other long-term liabilities</b> <b>g. Total long-term liabilities</b>	      
2.7	<b>Total liabilities</b>	

**3.0 Statement of Changes in Fund Balance or Equity  
General Fund or Equity**

3.1	<b>General fund or equity balance at beginning of fiscal year</b>	
3.2	<b>Revenue and gains in excess of expenses and losses</b>	
3.3	<b>Net transfer (to) or from restricted funds</b>	
3.4	<b>Net transfer and capital contribution (to) or from home office, affiliates, owners</b>	
3.5	<b>Other items</b>	
3.6	<b>General fund or equity balance at end of fiscal year</b>	

**Restricted Funds**

3.7	<b>Restricted funds balance at beginning of fiscal year</b>	
3.8	<b>Gifts, grants, bequests, and other donations</b>	
3.9	<b>Income from investments</b>	
3.10	<b>Net gain or loss from the sale or valuation of investments</b>	
3.11	<b>Net transfer (to) or from the general fund</b>	
3.12	<b>Net transfer and capital contribution (to) or from home office, affiliates, owners</b>	
3.13	<b>Other items</b>	
3.14	<b>Restricted funds balance at end of fiscal year</b>	

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

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### 4.0 Statement of Cash Flows

4.1	Net cash provided (used) by operating activities and gains	
4.2	Net cash provided (used) by investing activities	
4.3	Net cash provided (used) by financing activities	
4.4	Net increase (decrease) in cash and cash equivalents	
4.5	Prior-year cash and cash equivalents	
4.6	Current-year cash and cash equivalents	

*Items for information only--also included in items above*

4.7	Interest paid on long-term debt	
4.8	Principal paid on long-term debt	

### 5.0 Statistics

5.1	Cases	
5.2	Procedures (surgical plus non-surgical)	
5.3	Operating rooms (average--see instructions)	
5.4	Operating time	
5.5	Actual hours of room use	
5.6	Available hours of room use	
5.7	Paid full-time equivalents (FTEs): a. Registered nurses on payroll b. LPNs on payroll c. Other personnel on payroll d. Contract FTEs (all occupations) e. Total payroll and contract FTEs	     

Medicare Provider No.: \_\_\_\_\_

Medicaid Provider No.: \_\_\_\_\_

### Guidance Document OIM-002

#### Data Submission Instructions *Ambulatory Surgical Hospital Historical Filing*

#### General

- Unless otherwise stated, all financial data are defined per the 1990 AICPA Audits of Providers of Health Care Services.
- Historical Filings and financial statements are due to the Virginia Health Information under contract to Virginia Department of Health no later than 120 days after the end of the facility's fiscal year.
- Numbers below correspond to numbers on the Ambulatory Surgical Hospital Historical Filing.
- If a corporation owns multiple ambulatory surgical hospitals or subsidiaries, data are to be filed that are specific to each individual

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

ambulatory surgical hospital facility. Thus, for instance, corporate-wide data, such as from a corporate-level balance sheet, should not be submitted.

- The Income Statement Reconciliation Worksheet must be completed and returned with the Historical Filing if the ambulatory surgical hospital is licensed separately from but is part of the same accounting entity as a general hospital. Reconciliation Worksheet Column D figures should agree with the annual audit.
- **The following organizations are required to complete the Income Statement Reconciliation Worksheet** when specific audited financial information is not available:

Organizations that operate one or more activities that do not report to the Virginia Health Information under contract to Virginia Department of Health, but are within the same accounting entity as the activity that does report to the Virginia Health Information under contract to Virginia Department of Health (e.g., an ambulatory surgical hospital with a physician's office practice, when both functions are within the same accounting entity).

Organizations that operate two or more reporting facilities within the same accounting entity (e.g., a general hospital that includes a separately licensed ambulatory surgical hospital).

- **Financial Statement Reporting Requirements:**

Each health care institution is required to file certified audited financial statements prepared to conform with generally accepted accounting principles and reporting standards for health care institutions. If the health care institution is part of a publicly held company, the individual institution may submit unaudited financial statements.

Generally accepted auditing standards (GAAS) require presentation of four basic financial statements: balance sheet, income statement (statement of revenues and expenses), changes in stockholders equity (fund balance), and statement of cash flows. GAAS also requires the independent certified public accountant to comply with the 1990 AICPA Audits of Providers

of Health Care Services. Accountants' "special reports" and compilations do not fulfill the requirement.

Virginia Health Information under contract to Virginia Department of Health requires submission of all four basic financial statements: balance sheet, income statement (statement of revenues and expenses), changes in stockholders equity (fund balance), and statement of cash flows. These must be unconsolidated, certified audited statements, unless the institution is part of a publicly held company, in which case the institution may submit unconsolidated, *unaudited* financial statements. In addition, institutions reporting imputed income taxes on their Historical Filing must provide a schedule of the imputed income taxes as a note to their financial statements or as a supplemental schedule of the certified audited financial statements submitted to Virginia Health Information under contract to Virginia Department of Health.

- *Complete the transmittal sheet that was provided by the Virginia Health Information under contract to Virginia Department of Health approximately one month prior to the filing deadline.*

### Overview

The Historical Filing should match your audited financial statements in almost every detail.

**Schedule 1** is basically an income and expense statement with a slightly different breakdown from the one your auditor uses. Net patient service revenue, other revenue, total operating expenses, and operating income (loss), however, should generally match your auditor's income statement exactly. Minor differences may occur if you use other than straight-line depreciation, impute taxes, or have an extraordinary item.

If you have audited financial statements that include more data than just the health services facility you are reporting, you probably need to file an Income Statement Reconciliation Worksheet. In that case, your total on column D of that worksheet should match the auditor's income and expense statement.

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**Schedule 2** should match your audited balance sheet. Only not-for-profit facilities should have any restricted funds, and they should be only those funds restricted by donors or grants.

**Schedule 3** should match your auditor's statement of changes in fund balance exactly. Again, lines 3.7 through 3.14 are for not-for-profit facilities to report specific donor-restricted funds only.

**Schedule 4** should be taken from your audited statement of cash flows. Note that lines 4.7 and 4.8 (interest and principal payments on long-term debt during the year) are *information lines only and do not add or subtract from the statement of cash flows*.

**Schedule 5** is statistical. Make sure the utilization data reported here is consistent with the revenue data furnished in schedule 1.

### 1.0 Income Statement

Items 1.1 to 1.18 are from the ambulatory surgical hospital's audited income statement or are related to income statement accounts of this ambulatory surgical hospital only. All figures are to *exclude* data pertaining to separately licensed or non-hospital activities that are in the same accounting entity with the ambulatory surgical hospital, such as a physician's office practice. The Income Statement Reconciliation Worksheet must be completed to report excluded data.

**1.1 Gross Patient Service Revenue by Type of Payer.** Total established full charges for all ambulatory surgical hospital services provided to patients, including charity care, by type of primary payer.

**1.1a. Medicare.** The sum of established full charges for all ambulatory surgical hospital services provided to patients for whom Medicare is the primary payer.

**1.1b. Medicaid.** The sum of established full charges for all ambulatory surgical hospital services provided to patients for whom Medicaid is the primary payer. Include Medicaid revenue from all states.

**1.1c. Other Government.** The sum of established full charges for all ambulatory surgical hospital services provided to patients for whom CHAMPUS, SLH, Veterans Administration, or any government program *other than Medicare or Medicaid* is the primary payer.

**1.1d. Non-Government.** The sum of established full charges for all ambulatory surgical hospital services provided to patients for whom Medicare, Medicaid, CHAMPUS, SLH, or other government program is *not* the primary payer.

**1.1e. Total Gross Patient Service Revenue.** The sum of lines 1.1a through 1.1d.

**1.2 Contractual Allowances by Type of Payer.** The difference between an ambulatory surgical hospital's established full charges and the rates paid by third-party payers under contractual agreements. Itemize Medicare, Medicaid, CHAMPUS, and Blue Cross allowances in lines 1.2a through 1.2d. Report any other contractual allowances and administrative allowances in line 1.2e, Other Contractual Allowances. Sum 1.2a through 1.2e to report total contractual allowances in 1.2f.

**1.3 Charity Care @100% of Poverty.** In Virginia, charity care is defined as care for which no payment is received and that is provided to any person whose gross annual family income is equal to or less than 100% of the federal non-farm poverty level as published for the then current year in the Code of Federal Regulations. Report the gross revenue foregone for charity care (revenue deductions).

**1.4 Charity Care @200% of Poverty.** This is charity care for which no payment is received and that is provided to any person whose gross annual family income is greater than 100% but not greater than 200% of the federal non-farm poverty level as published for the then current year in the Code of Federal Regulations. Report the gross revenue foregone for charity care (revenue deductions). Amounts entered here should *no longer be included* in Other Contractual Allowances, line 1.2e.

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

- 1.5 Net Patient Service Revenue.** Net patient service revenue is total gross patient service revenue (line 1.1e), minus total contractual allowances (line 1.2f), minus charity care @100% of poverty (line 1.3), minus charity care @200% of poverty (line 1.4).
- 1.6 Other Revenue and Operating Gains.** Revenue or gains from the ambulatory surgical hospital's ongoing or central operations *other than* patient care, such as educational or research programs or sales of goods and services to other than patients, and sales of personal convenience items and services to patients. Operating gains may be difficult to distinguish from *non*-operating gains (see line 1.14 below). Report other revenue (or other operating revenue) and *operating* gains as defined per the 1990 AICPA audit guide.
- 1.7 Labor Expenses.** All expenses related to employment of personnel by the ambulatory surgical hospital.
- 1.7a. Salaries.** Total monetary compensation paid by the ambulatory surgical hospital (accrual basis) to employees of the hospital, including holiday pay, vacation pay, sick pay, and bonuses. This is to be based on the Internal Revenue Service salary definition.
- 1.7b. Benefits.** Any employment benefits that are considered expenses by the ambulatory surgical hospital. These include, but are not limited to, health insurance, retirement plans, day care reimbursement, payroll taxes, and Workers' Compensation. Include payroll taxes here.
- 1.7c. Contract.** The labor portions of any contractual obligations that are incurred in providing ambulatory surgical hospital services. These include, but are not limited to, the contracted labor expenses of agency nursing, pharmacy, radiology, and housekeeping contracts, etc.
- 1.7d. Home Office.** A portion of home office labor expense allocated to the ambulatory surgical hospital. This includes the salaries, benefits, contracted labor expenses, and professional fees of the home office.
- 1.7e. Other Labor Expenses.** All other labor expenses not reported in lines 1.7a through 1.7d.
- 1.7f. Total Labor Expenses.** The sum of lines 1.7a through 1.7e.
- 1.8 Non-Labor Expenses.** Any expenses that are not related to labor. *Exclude* capital and capital-related expenses.
- 1.8a. Contract.** The non-labor portion of any contractual obligation that is incurred in providing ambulatory surgical hospital services. This includes, but is not limited to, the contracted non-labor expense of agency nursing, radiology, and housekeeping contracts, etc. Pharmacy contract drug expenses should be reported in line 1.8c.
- 1.8b. Home Office.** A portion of home office non-labor expense allocated to the ambulatory surgical hospital. Include operating leases with the home office here.
- 1.8c. Drug.** Billable and non-billable drug expenses incurred. Include IV solutions.
- 1.8d. Physician Fees.** Expenses incurred by the ambulatory surgical hospital to pay physicians.
- 1.8e. Other Non-Labor Expenses.** All other non-labor expenses incurred, such as for supplies, linens, and utilities. This line also includes outside legal and accounting expenses, malpractice insurance, director and officer insurance, and maintenance service expenses such as for elevator maintenance. Include amortization expenses that are *not* defined as capital costs by Medicare.
- 1.8f. Total Non-Labor Expenses.** The sum of lines 1.8a through 1.8e.
- 1.9 Capital Expenses.** Capital expenses are those defined by Medicare as capital expenses. This includes depreciation and



## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

interest for capital assets reported as used for patient care plus Medicare patient costs for other capital-related expenses. Medicare patient costs for other capital-related expenses include leases, rentals (including license and royalty fees for the use of depreciable assets), insurance expense on depreciable assets, related-organization capital-related costs for assets that are not maintained on the ambulatory surgical hospital's premises, and taxes on land or depreciable assets used for patient care. Depreciation expenses should be calculated on a straight-line basis, using Medicare useful lives. Include the allocated portion of home office capital expenses here.

- 1.9a. Depreciation (straight-line).** Report depreciation charges on capital assets used for patient care, using the straight-line method and Medicare useful lives.
- 1.9b. Amortization.** Report amortization charges related to capital assets, such as amortization of deferred financing costs and amortization of leases.
- 1.9c. Interest.** Interest related to capital expenses.
- 1.9d. Insurance.** Capital-related insurance expense.
- 1.9e. Other Capital Expenses (excl. capital-related taxes).** All other capital-related expenses, except capital-related taxes.
- 1.9f. Total Capital Expenses (excl. capital-related taxes).** The sum of 1.9a. through 1.9e.
- 1.10 Taxes.** Report all taxes reported on the ambulatory surgical hospital's income statement, including: state income tax, federal income tax, real estate tax, business property tax, and business license fees. Specify amounts and types of all other taxes in line 1.10h, Other Taxes. Include use taxes (i.e., sales taxes *paid* for purchased materials and supplies used in the normal course of business) in Other Taxes. Do *not* include payroll taxes; those go in line 1.7b, Labor Expenses Benefits. Sum all taxes and report in line 1.10i.

Investor-owned institutions organized as proprietorships, partnerships, or Subchapter S corporations should report *imputed* state and federal income taxes, based on the maximum state and federal tax rates for individuals (in the case of proprietorships and partnerships) or for corporations (in the case of Subchapter S corporations). Institutions reporting imputed income taxes on their Historical Filing must provide a schedule of the imputed income taxes as a note to their financial statements or as a supplemental schedule of the certified audited financial statements submitted to Virginia Health Information under contract to Virginia Department of Health.

- 1.11 Bad-Debt Expense.** Bad-debt expense (or provision for bad debts) as reported on the ambulatory surgical hospital's income statement.
- 1.12 Total Operating Expense.** The sum of lines 1.7f, 1.8f, 1.9f, 1.10i., and 1.11 above.
- 1.13 Operating Income (Loss).** The sum of lines 1.5 plus 1.6, minus 1.12.
- 1.14 Net Non-Operating Gains (Losses).** Non-operating gains and losses result from transactions incidental or peripheral to the ambulatory surgical hospital's central ongoing operations. They may be difficult to distinguish from Other Revenue and Operating Gains (see line 1.6 above) and may include such items as gifts received, tax support and subsidies, returns on investment of general funds, and gain or loss on sale of properties, as well as other items. Report net non-operating gains (losses) as shown on the hospital's income statement.
- 1.15 Net Extraordinary Gains (Losses).** Extraordinary items are transactions and other events that are material, significantly different from the typical or customary business activities, not expected to recur frequently, and not normally considered in evaluating the ordinary operating results of the ambulatory surgical hospital. Report this item as shown on the hospital's income statement, net of any related tax effects.
- 1.16 Cumulative Effect of Accounting Changes.** Report the cumulative effect of any changes in accounting principles, as

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

shown on the ambulatory surgical hospital's income statement, net of any related tax effects.

- 1.17 Revenue and Gains in Excess of Expenses and Losses.** The sum of lines 1.13 through 1.16.
- 1.18 Capital-Related Taxes Not Related to Patient Care.** *This is an information line only, as these taxes should be included above in item 1.10, Taxes.* Report the taxes on land or depreciable assets not used for patient care, such as property being held for sale or future development. The assets to which these taxes relate should generally be those assets not includable in the determination of Medicare-allowable capital costs.

### 2.0 Balance Sheet

Items 2.1 to 2.7 are from the balance sheet for the facility. If the ambulatory surgical hospital includes a physician's office practice or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units. (If this other activity is of a type, e.g., another separately licensed ambulatory surgical hospital or a general hospital, that is also required to file with Virginia Health Information under contract to Virginia Department of Health, the appropriate filing for this other activity must be submitted in addition to the filing for this ambulatory surgical hospital.)

An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the amounts of such assets, liabilities, and related cash flows attributable to this entity. Unless otherwise specified, supply information for the unrestricted (general) fund only. *Restricted funds apply only to not-for-profit institutions and are those funds restricted by donors or grants.* All other funds are unrestricted.

- 2.1 Current Assets.** Cash and other assets that are expected to be converted into cash, sold, or consumed within one year.
- 2.1a. Cash and Cash Equivalents.** Report cash and cash equivalents, including unrestricted short-term investments, short-term marketable securities, short-term

accounts for funded depreciation, and board-designated capital improvement funds.

- 2.1b. Marketable Securities.** Report marketable securities that are not considered cash equivalents but are capable of being converted into cash within one year and are not specifically intended to be held for more than one year.
- 2.1c. Accounts Receivable (Net).** Report accounts receivable from patients, third-party payers, and others, net of contractual adjustments, discounts, and allowances for uncollectibles.
- 2.1d. Receivables from Related Parties (current portion).** Report any amounts due from a related party and expected to be received within one year. A related-party transaction exists when one of the transacting parties has the ability to significantly influence the policies of the other transacting party or when a non-transacting party has the ability to influence the policies of the two transacting parties. A related party may be a parent company, a subsidiary company, another subsidiary of a common parent company, a trust controlled by the reporting entity, or an officer or principal owner of the reporting entity.
- 2.1e. Other Current Assets.** Report all other current assets not included above, such as investments not considered either cash equivalents or marketable securities but expected to be converted into cash within one year, current portion of long-term receivables, interest receivable, supplies/inventory, prepaid expenses, and deferred income taxes to be recovered within one year.
- 2.1f. Total Current Assets.** The sum of lines 2.1a through 2.1e.
- 2.2 Net Fixed Assets.** Report the value of property, plant, and equipment, net of accumulated depreciation using the straight-line method. Timing differences due to an alternative depreciation method should be reported in line 2.3a, Other Assets Non-Current Investments.



## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**2.3 Other Assets.** Report assets, other than fixed assets, that are not expected to be converted into cash, sold, or consumed within one year.

**2.3a. Non-Current Investments.** Report the value of unrestricted investments, including property not currently in use for operations, marketable securities, investments in affiliates or nonconsolidated subsidiaries, and receivables expected to be held for more than one year. Include accounts for funded depreciation, board-designated capital improvement funds, and assets whose use is limited but not donor-restricted. Include differences between straight-line depreciation and alternative depreciation methods.

**2.3b. Intangible Assets.** Report the value of intangible assets such as deferred organization costs, deferred financing costs, goodwill, franchises, and the like, net of accumulated amortization.

**2.3c. Receivables from Related Parties (non-current portion).** Report any amounts due from a related party and not expected to be received within one year. Please see definition of a related-party transaction for line 2.1d above.

**2.3d. Other.** Report the value of any other assets, not included above, such as pre-paid expenses or deferred costs more than one year in the future.

**2.3e. Total Other Assets.** The sum of lines 2.3a through 2.3d.

**2.4 Total Assets.** Total assets as reported on the ambulatory surgical hospital's balance sheet. The sum of lines 2.1f, 2.2, and 2.3e.

**2.5 Current Liabilities.** Obligations expected to be liquidated within one year.

**2.5a. Notes Payable.** Report the principal of notes payable within one year.

**2.5b. Current Portion of Long-Term Debt.** Report those portions of long-term debt principal due to be liquidated within one year. Include the principal portion of capital lease payments due to be made within one year.

**2.5c. Accounts Payable.** Report trade and other accounts payable.

**2.5d. Liabilities to Related Parties (current portion).** Report any amounts due to a related party and expected to be paid within one year. Please see definition of a related-party transaction for line 2.1d above.

**2.5e. Other Current Liabilities.** Report all other current liabilities not included above, such as accrued salaries and wages, accrued interest payable, other accrued expenses, deposits from patients and deferred revenues, estimated refunds to third-party payers, and income taxes payable.

**2.5f. Total Current Liabilities.** The sum of lines 2.5a through 2.5e.

**2.6 Long-Term Liabilities (less current installments).** Obligations not expected to be liquidated within one year.

**2.6a. Notes Payable.** Report the principal of notes payable more than one year in the future.

**2.6b. Bonds Payable.** Report bonds maturing more than one year in the future.

**2.6c. Mortgages Payable.** Report the principal portion of mortgages payable more than one year in the future.

**2.6d. Capital Lease Obligations.** Report the principal portion of capital lease obligations payable more than one year in the future.

**2.6e. Liabilities to Related Parties (non-current portion).** Report any amounts due to a related party and not expected to be paid within one year. Please see definition of a related-party transaction for line 2.1d above.

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**2.6f. Other Long-Term Liabilities.** Report all other long-term liabilities not included above, such as malpractice settlements, pension obligations, deferred income taxes, or other estimated obligations expected to be paid more than one year in the future.

**2.6g. Total Long-Term Liabilities.** The sum of lines 2.6a through 2.6f.

**2.7 Total Liabilities.** The sum of lines 2.5f and 2.6g.

### 3.0 Statement of Changes in Fund Balance or Equity

Items 3.1 to 3.14 are from the statement of changes in fund balance or equity for the ambulatory surgical hospital. If the hospital includes a physician's office practice or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units.

There are two subsections: General Fund or Equity and Restricted Funds. Restricted funds apply only to not-for-profit institutions and are those funds restricted by donors or grants. All other funds are unrestricted.

#### GENERAL FUND OR EQUITY

**3.1 General Fund or Equity Balance at Beginning of Fiscal Year.** Not-for-profit facilities should report the general fund balance at the beginning of the fiscal year. For-profit facilities should report the equity balance at the beginning of the fiscal year. For ongoing entities, *this should be the same as the ending balance reported in the prior year's filing*, even if the ending balance for the prior year was subsequently restated. Any subsequent changes from restatement of the prior year's ending fund balance or equity should be reported in line 3.5 of the present filing.

**3.2 Revenue and Gains in Excess of Expenses and Losses.** Report net income as reported on the income statement for the facility. There should be no exclusion for long-term care services or other

non-hospital activities that are in the same accounting entity with the ambulatory surgical hospital.

**3.3 Net Transfer (To) or From Restricted Funds.** Report the net amount of transfers to or from restricted funds. Show a net transfer *out of* the general fund as a negative number.

**3.4 Net Transfer and Capital Contribution (To) or From Home Office, Affiliates, Owners.** Report the net amount of all transfers and capital contributions to and from the system home office, parent organization, and other affiliates, and all dividends or distributions to owners and stockholders. Show a net transfer *out of* the general fund as a negative number.

**3.5 Other Items.** Report the net amount of items not included in previous lines in this General Fund or Equity section. Include changes from restatement of the prior year's ending balance.

**3.6 General Fund or Equity Balance at End of Fiscal Year.** The sum of lines 3.1 through 3.5. For not-for-profit facilities, this is the unrestricted fund balance at the end of the fiscal year. For for-profit facilities, this is the equity balance at the end of the fiscal year.

#### RESTRICTED FUNDS

**3.7 Restricted Funds Balance at Beginning of Fiscal Year.** Report the sum of the fund balances for all restricted funds at the beginning of the fiscal year. For ongoing entities, *this should be the same as the ending balance reported in the prior year's filing*, even if the ending balance for the prior year was subsequently restated. Any subsequent changes from restatement of the prior year's ending restricted funds balance should be reported in line 3.13 of the present filing.

**3.8 Gifts, Grants, Bequests, and Other Donations.** Report the sum of these items.

**3.9 Income from Investments.** Report income from restricted funds investments.

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

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**3.10 Net Gain or Loss from the Sale or Valuation of Investments.** Report realized and unrealized changes in value of restricted funds investments.

**3.11 Net Transfer (To) or From the General Fund.** Report the net amount of all transfers to and from the general fund. Show a net transfer *out of* restricted funds as a negative number.

**3.12 Net Transfer and Capital Contribution (To) or From Home Office, Affiliates, Owners.** Report the net amount of all transfers and capital contributions to and from the system home office, parent organization, and other affiliates. Show a net transfer *out of* restricted funds as a negative number.

**3.13 Other Items.** Report the net of all other items for restricted funds. Include changes from restatement of the prior year's ending restricted funds balance.

**3.14 Restricted Funds Balance at End of Fiscal Year.** The sum of lines 3.7 through 3.13. This is the sum of the fund balances for all restricted funds at the end of the fiscal year.

### 4.0 Statement of Cash Flows

Items 4.1 to 4.8 are from the audited statement of cash flows for the ambulatory surgical hospital. If the ambulatory surgical hospital includes a physician's office practice or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units. An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the amounts of such assets, liabilities, and related cash flows attributable to this entity. Supply information from the unrestricted (general) fund only.

**4.1 Net Cash Provided (Used) by Operating Activities and Gains.** Report the net cash provided (used) by operating activities and gains as reported on the audited statement of cash flows. Any extraordinary gains or losses (e.g., when there is a bond defeasance) included in net income on the audited income statement should be *excluded* from Net Cash Provided (Used) by Operating Activities and Gains for this Historical Filing. If

necessary, remove extraordinary effects from your audited statement's net cash provided (used) by operating activities and gains by adding back an extraordinary loss and subtracting an extraordinary gain.

**4.2 Net Cash Provided (Used) by Investing Activities.** Report the net cash provided (used) by investing activities as shown on the audited statement of cash flows. Cash inflows from investing activities include, among other items, proceeds from sales of physical and financial assets and capital contributions from affiliates. Cash outflows include, among other items, purchases of plant, property and equipment, cash investments in physical and financial assets, and capital contributions to affiliates.

**4.3 Net Cash Provided (Used) by Financing Activities.** Report net cash provided (used) by financing activities as shown on the audited statement of cash flows. Net cash provided (used) by financing activities includes, among other items, proceeds from the issuance of debt or sale of stock, payments made to reduce the principal of debt or capital lease obligations, repurchase of stock, and dividends paid.

**4.4 Net Increase (Decrease) in Cash and Cash Equivalents.** As reported on the audited statement of cash flows. It should be the sum of lines 4.1 through 4.3.

**4.5 Prior-Year Cash and Cash Equivalents.** As reported on the audited statement of cash flows.

**4.6 Current-Year Cash and Cash Equivalents.** As reported on the audited statement of cash flows. It should be the sum of lines 4.4 and 4.5.

**4.7 Interest Paid on Long-Term Debt.** *This is an information line only, as this expense should be included above in line 4.1, Net Cash Provided (Used) by Operating Activities.* Report interest on long-term debt that was *paid* during the report period. Include the interest portion of payments on capital leases.

**4.8 Principal Paid on Long-Term Debt.** *This is an information line only, as these payments should be included above in line 4.3, Net Cash Provided (Used) by Financing Activities.* Report actual

## AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)

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*cash payments* of principal on long-term debt during the report period. Include the principal portion of payments on capital leases. Extraordinary gains or losses associated with payments of principal on long-term debt should not be included in this line. An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the related principal paid attributable to this entity. Principal payments on intra-company debt and on loans from stockholders are not arms-length transactions and should not be reported here.

### 5.0 Statistics

Items 5.1 to 5.7 are ambulatory surgical hospital statistics.

- 5.1 Cases.** This is the total number of patient care visits, i.e., the sum of visits during which an operation was performed plus visits during which an operation was *not* performed but *other patient care* was provided.
- 5.2 Procedures (surgical plus non-surgical).** Number of (surgical and non-surgical) procedures performed on patients in the reporting period. There may be more than one procedure per visit.
- 5.3 Operating Rooms (average).** Report the average number of operating rooms equipped and ready for use within 24 hours during the reporting period. Compute the average as a simple average of the number of rooms equipped and ready for use on the *first* day of the report period and the number of rooms equipped and ready for use on the *last* day of the report period.
- 5.4 Operating Time.** This should be measured in hours, starting with the time the patient is brought into the operating room and ending with the time the patient is taken out of the room. This does not include time for setting up and/or cleaning the room, which should be included in line 5.5, Actual Hours of Room Use.
- 5.5 Actual Hours of Room Use.** This should be measured starting with the time the operating room door is opened for setting up an operation and ending when the door is closed after cleaning the room. This time should always exceed the operating time.

- 5.6 Available Hours of Room Use.** This is the maximum number of hours the operating rooms are available for operations. It is the sum of the hours each room is equipped and ready for use during the facility's normal operating hours each day. This should always equal or exceed the actual hours of room use.

- 5.7 Paid Full-Time Equivalents (FTEs).** Calculate paid FTEs as the total number of hours paid (including worked hours, benefit hours, contracted hours for agency personnel, and paid hours for contracted services provided within the facility) divided by 2080 and rounded to one decimal place. If there are staff positions shared between the ambulatory surgical hospital and some other distinct and separate activity (e.g., a physician's office or an associated general hospital), please report on this Ambulatory Surgical Hospital Historical Filing only that portion of the shared FTEs that are properly allocated to the ambulatory surgical hospital. *Contract FTEs* (contracted hours for agency personnel and paid hours for contracted services provided within the facility) *are to be reported in line 5.7d*. Do not include contract FTEs in lines 5.7a through 5.7c. Do not include home office FTEs.

(If this Historical Filing is for a period with greater or fewer than 52 weeks in it, determine the number of FTEs for the period by dividing the total hours paid during the period by the appropriate number of standard work hours in the period, based on a standard of 40 hours per week. For example, if this filing is for a period of 26 weeks, calculate paid FTEs for this period by dividing the total number of paid hours during the 26-week period by 1040 (26 x 40) standard work hours.)

- 5.7a. Registered Nurses on Payroll.** Nurses who have graduated from approved schools of nursing and who are currently registered by the Commonwealth of Virginia.
- 5.7b. LPNs on Payroll.** Nurses who have graduated from an approved school of practical or vocational nursing, who work under the supervision of registered nurses and/or physicians, and who are licensed by the Commonwealth of Virginia.

## **AMBULATORY SURGICAL HOSPITAL HISTORICAL FILING (continued)**

*PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS*

- 5.7c. Others on Payroll.** All other payroll FTEs that have not been reported in the above categories.
- 5.7d. Contract FTEs (all occupations).** All FTEs that are from contracted hours and services. These FTEs are for contractual obligations that are incurred in providing psychiatric ambulatory surgical hospital services including, but not limited to, agency nursing, dietary, housekeeping contracts.
- 5.7e. Total Payroll and Contract FTEs.** The sum of lines 5.7a through 5.7d.